



Water Infrastructure Finance Authority of Arizona

NEWS RELEASE

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WIFA Chairman Steve Owens Announces Publication of 2005 Annual Report

PHOENIX –Water Infrastructure Finance Authority (WIFA) of Arizona Chairman Steve Owens announced today the availability of the authority's 2005 annual report on the WIFA Web site (www.azwifa.gov).

"This has been an extremely successful year for WIFA," said WIFA Chair Steve Owens, who is also the director of the Arizona Department of Environmental Quality (ADEQ). "WIFA continues to be the premier water and wastewater financial institution in Arizona and nationally, and we are helping communities throughout the state with their water infrastructure needs."

The report provides an overview of the authority's activities from January 2005 through December 2005 and highlights two very important achievements in 2005:

- Governor Janet Napolitano signed a bill into law allowing WIFA to enter into short-term emergency loan agreements with political subdivisions or tribes in the event of a an emergency declared by the governor or Federal Emergency Management Agency (Arizona Revised Statutes Title 49, Chapter 8, Article 2, section 49-1269).
- Due to a major increase in identified drinking water infrastructure needs in Arizona, WIFA received a drinking water capitalization grant award of \$23 million, a \$14 million increase over last year, thus continuing to allow arsenic-related projects to be top priority.

"Our achievements are evidence of WIFA's sound management and fiscal policies as well as its strong performance as a below market interest source of funds for Arizona's communities," said Executive Director Jay R. Spector.

WIFA is faced with two ongoing challenges that are also discussed in the report.

One challenge is assisting communities in meeting the Environmental Protection Agency's arsenic standard by Jan. 23, 2006, Owens said. WIFA continues to work with ADEQ to host workshops across the state educating communities about the federal standard.

Another challenge is the funding disparity with the Clean Water State Revolving Fund. Owens noted that the revolving fund formula is based on 1970s population figures and infrastructure needs and has not been updated to reflect Arizona's recent needs and populations. Moreover, the U.S. Congress has reduced funding by 23 percent for Arizona's clean water revolving fund loan program in recent years.

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“The funding formula fails to take into account the tremendous growth Arizona has experienced since the 1970s,” said WIFA Executive Director Jay Spector. “It is vital that Arizona be provided with resources to assist communities with affordable water and wastewater infrastructure projects.”

Paper copies of the report are available upon request.

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ABOUT THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

The Water Infrastructure Finance Authority of Arizona maintains and improves water quality in Arizona by providing communities and private water systems with access to low-interest financial assistance and technical assistance needed for basic water infrastructure. WIFA's funds are capitalized by contributions from the US Congress and the state of Arizona. As a leader in water infrastructure finance, WIFA has become a premier financial institution both in Arizona and nationally. Visit WIFA's Web site at www.azwifa.gov.